



IDAHO DEPARTMENT OF HEALTH & WELFARE

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NEWS RELEASE

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IDAHO COUNTIES BENEFIT FROM \$1.15 BILLION DOLLAR INVESTMENT FROM THE DEPARTMENT OF HEALTH & WELFARE

Last year, Idaho residents and businesses received \$1.15 billion from Department of Health & Welfare programs that help people in need. The investment benefits every one of state's 1.4 million residents.

The disbursement of state and federal tax dollars amounts to \$839 for every man, woman and child residing in the state. This includes people who may not receive a single direct service from the Department. If the three state hospitals are included in the calculation, statewide spending is \$1.2 billion, and per capita increases to \$870.

The funds distributed by the Department came from Medicaid, additional payments to hospitals, Food Stamps, the Idaho Child Care Program, the Women, Infants and Children nutritional program, foster care and a variety of other assistance programs.

"This is an investment for all Idaho residents," says Health & Welfare Director Karl Kurtz. "These are tax dollars put to good use because they help people become healthy and productive. This money goes go to foster care for children in crisis, substance abuse treatment for adults and adolescents, improvements and operations at local hospitals, and dozens of other badly needed services."

"This is as much about sustaining communities as it is investing," adds Kurtz. "By providing programs that support people, we are helping communities and their residents build the endurance and strength they need to remain vital. Everyone profits from this investment, not just those who use Department programs. This isn't just me pounding my chest. That's what community leaders tell us."

Bonner County Commission Chair Marcia Phillips says, "The Department programs are very important. They give us a chance to keep our economy and population stabilized. This is a very good partnership between state government and county level government to provide for our citizens."

Washington County Commission Chair Diana Thomas agrees, “We have a lot of folks who are low income and a lot of senior citizens. The Department provides services to them. The money from the Department is absolutely an investment.”

In 2004, the Department’s Medicaid Division spent \$950 million on health care for residents of Idaho — a \$63 million increase over the previous year. A large share of the dollars go to drug stores like Floto Pharmacy in Boise. “Medicaid is about 40-50 percent of our business,” says Pharmacy Manager Shawn White. “It has benefited our clients and us by allowing our staff to grow and keep the business going.”

The story is much the same at Bear Lake Memorial Hospital in Montpelier which received nearly \$233,000 in extra Medicaid payments called Federal Upper Payment Limits and Disproportionate Share. The payments are on top of the more than \$600,000 the hospital received in payment for patient services. “We’re putting those (extra) payments away,” says Hospital Administrator Rod Jacobson. “We’re remodeling our 30-year-old nursing home. It’s a \$2 million improvement, so we’ve been saving everything we can for that. It wouldn’t have gotten done without it, that’s for sure.” The remodeling began in June 2005.

Nearly 90,000 Idaho residents received \$88.6 million in Food Stamps to help feed their families. Cassia County residents received \$1.5 million in Food Stamps — \$300,000 more than in 2003. The program also served an additional 200 people in the county. Stoke’s Fresh Food Market in Burley redeemed \$140,400 of the county total.

Owner John Stokes says that represents about five percent of their annual income. How important is it? “Huge,” he says. “Our budget for employment is based on sales. If we didn’t have this money, we would survive, but it would have an impact, maybe a substantial impact. Food Stamps usage has increased with the closure of the Simplot potato processing plant and the inability of former employees to obtain new work. “Unemployment is running out for those folks,” Stokes says. “At this point, we are seeing a lot more Food Stamps customers. It’s a tight economy and Food Stamps are pretty heavy.”

Department spending helps people, and it has an upside for business, according to Idaho economist John Church. “This is not lost money. The spending is an investment. It goes back into the economy. If an employer came to town and spent this much money we would be elated. People need to remember that a big chunk of this is federal money which is a huge return on our taxes. This comes back and helps stimulate the economy and it helps people.”

Kurtz says, “Not only is the Department money a human investment, but it creates jobs and maintains healthy businesses. These dollars recycle numerous times in each community and help us keep the high quality of life we enjoy in Idaho. This is a wise use of taxpayer dollars because the money spent in the community stays in the community. The dollars are spent again and again to help create jobs and an infrastructure that provides healthy and safe neighborhoods.”

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(**Editors:** Interviews are available on request. Contact Ross Mason at 334-0693 for more information.)

**More information on Health & Welfare's
investment in every Idaho County
can be found online at
<http://www.healthandwelfare.idaho.gov>**